TITLE

Setting the Foundations for Theoretical Progress toward Understanding the Role of Values in Organizational Behavior: Commentary on "Values at Work: The Impact of Personal Values in Organizations" by Arieli, Sagiv, & Roccas.

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Setting the Foundations for Theoretical Progress toward Understanding the Role of Values in

Organizational Behavior: Commentary on "Values at Work: The Impact of Personal Values in

Organizations" by Arieli, Sagiv, & Roccas.

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Abstract

Arieli, Sagiv, and Roccas's lead article provides a timely and important review of the role of

individual values and their role in organizations. At the same time as identifying several key areas of

progress, the review identifies significant gaps. In this commentary, we focus on additional gaps

that merit attention. In particular, we highlight a need for greater theoretical clarity in the literature

about the concrete ways in which values are instantiated in different organizational contexts, roles,

and cultural settings. We argue that the growing importance of values in studies of organizational

contexts would be well-served by more precision in how they are conceptualized and

operationalized in studies of organizational behaviour.

Many organizations around the world put a lot of effort into discerning and articulating the

values that are of core importance to them. The work is carried out by diverse types of

organizations, including governments, governmental departments, businesses, charities, and public

institutions. Typically, these groups articulate values through a combination of reflection and

consultation among a range of parties, ideally including all relevant internal and external

stakeholders. In this process, staff within organizations contribute from the perspective of their own

individual values. It is these individual values and their role in organizations that are addressed in

the review by Sharon Arieli, Lilach Sagiv, and Sonia Roccas.

Their review is timely and useful in a number of respects. In particular, it draws attention to

the diverse ways in which individual values are important within organizations. At the same time,

the review summarizes important evidence about the utility of Schwartz's (1992a; Schwartz et al.,

2012) model of human values in organizational contexts. A number of insights emerge from this

approach. These insights include observations about the distinctive patterns of values underlying

vocational choices (e.g., as a manager in different organizations), the meaning attached to different

roles (e.g., jobs as a calling vs career), the contributions of particular values (e.g., creativity) to

specific types of work (e.g., media studies), the importance of openness to change values in change management within organizations, the role of self-enhancement values in reactions to reward systems, the role of manager values in staff behavior, differences in effects of organizational socialization on personal values versus work-related values, and moderators of value-behavior relations. At the same time, the article identifies significant gaps, including the relative lack of research on the relation between person-organization value congruency and workplace performance, the need to explore effects of value homogeneity across members of an organization, a lack of evidence about causal mechanisms in the associations between values and other organizational variables, ambiguity about the role of culture and culture change in many of the linkages between individual values and organizational behavior, and the potential for a more holistic framework simultaneously considering employee-to-organization and organization-to-employee influences.

From our perspective, the review exposes fundamentally important interrelated questions about theory and mechanism. One example arises in the discussion of the mechanisms through which person-organization value congruency affects outcomes in organizations. Does perceived value congruency mediate effects of actual congruency on outcomes like performance, and is this relation itself mediated by variables like organizational commitment or job satisfaction? Furthermore, the review describes many personal (e.g., organizational identification) and situational factors (e.g., ambiguity in norms) that moderate relations between values and other variables, such as behaviors at work (e.g., organizational citizenship behavior), noting that there are many more variables that have not been studied. Nevertheless, what theories can comprehensively bind these diverse potential variables and explain the mechanisms through which values operate? Although the review provides an important narrative, it also makes clear that we lack theories that can inform a network of predictions about values in organizational contexts.

This theoretical issue is important for determining the extent to which values are crucial factors in organizational processes. As articulated in the review, a useful starting point is Schwartz's model, which is highly developed and clearly relevant to the organizational context. Although some potential individual values manifested in the organizational context do not entirely fit in this model (e.g., goal orientedness), the model enables researchers and practitioners to predict patterns of associations between organizational behavior and many values. In general, values at opposing ends of the model should exhibit different or opposing associations with other behaviors in a sinusoidal manner (Schwartz, 1992). At the same time, however, researchers have to use their own intuitions about how these associations emerge, because Schwartz's model focuses on relations between values and not on relations between values and specific variables external to the model. For example, it does not address whether person-organization value congruency should increase job satisfaction because congruency increases work motivation, perceptions of shared identity, enhanced sense of purpose, or some other mechanism. Thus, the model does not address specific mechanisms through which values operate, because the same pattern of value-outcome relations may often occur through varied paths, often including very plausible effects of organizational behavior *on* values.

As with other areas of study relevant to values, deeper progress in understanding the role of values in organizations requires a closer look at how values are translated into attitudes and behavior. In other words, researchers need to consider the variety of ways in which the same values might be interpreted in the same context (Maio, 2010). Consider the value of equality, which is regarded in Schwartz's model as equal opportunity for all. Arieli and colleagues focus on this conceptualization, but the relation between this view and *equity* values (i.e., outcomes proportional to inputs) is pivotal in much organizational theorizing, such as organizational justice theory, which is a popular way of examining people's reactions to their work (Cropanzano & Ambrose, 2015; Greenberg, 1990). In other words, there is an unexamined complexity in the role of values in various work-related theories. Continuing with equality as an example, this value is central to many

organizations' efforts to meet equality and diversity agendas, but interpretations of equality in terms of organizational behavior (and individual behavior within organizations) vary immensely (cf. Maio, Hahn, Frost, & Cheung, 2009). Attempts to promote equality may be met through initiatives to target sexual harassment, mentor women to higher level positions, reduce pay imbalances between men and women, change organizational timetabling to be suitable to people with caring responsibilities (e.g., family friendly hours), altering gender compositions of recruitment and promotion panels, reevaluating gender subtext in organizational marketing information, and etcetera. Organizations, managers, and employees might focus on differing instantiations; they may also differ in the extent to which they think these instantiations are appropriate or valid. Furthermore, they may differ in the groups to which they would apply the value, perhaps emphasizing some group characteristics (e.g., gender, ethnicity, religion) more than others (e.g., disability, age).

These differences in value instantiation are crucial. All organization must sequence actions and allocate resources, and values theoretically help to shape priorities. If one instantiation of a value costs more time, money, and energy than another, that instantiation might be ranked as lower in priority. In addition, instantiations may compete with other values. For instance, although mentoring members of some groups to higher level positions in an organization can redress inequalities, it may be seen as a threat to achievement values for nontargeted groups. Abundant research on values shows that such perceived trade-offs bring values into play strongly, increasing complexity of thought and intensity of feeling (Tetlock, 2000; Tetlock, Peterson, & Lerner, 1996). In such cases, it is crucial not merely how *one* value is instantiated, but how two or more values are instantiated in the context.

This complexity may be where values are uniquely important in organizations. If research on values is to gain prominence for mapping behavior in organizations, it is important for research to show how values afford unique predictions apart from other psychological constructs, including

attitudes (Lee, Martin, Thomas, Guillaume, & Maio, 2015), traits, norms, and many other constructs. The richness and diversity in how people apply values to organizational contexts, potentially in a thoughtful and socially interactive manner, makes them interesting to examine. With so many organizations holding up values as central to their aims, there is a scope for engaging organizations in the complex and dynamic ways in which values are impactful.

At the same time, modern organizations are often global in reach. They need to consider cultural diversity in how they operate. This cultural diversity is mentioned as a vital issue by Arieli et al., and we would add that this diversity may be important partly through its impact on the manner in which people instantiate different values. Returning to the example of equality, there are cross-cultural differences in which target groups (e.g., gender, race) are regarded as relevant to the value, even when the value is held up as important across cultures (Hanel, Vione, Hahn, & Maio, 2017). Consider data from the 4th round of the European Social Survey, which was collected in 31 countries in 2008 and 2009. Results indicated that Turkish respondents were more likely to agree with statements, "A woman should be prepared to cut down on her paid work for the sake of her family" (M = 2.14, SD = .92) and "When jobs are scarce, men should have more right to a job than women" (M = 2.20, SD = 1.13) than participants in the 30 other European countries (M = 2.86, SD = 1.18, d = 0.77, and M = 3.61, SD = 1.23, d = 1.24, respectively; 1 "agree strongly" to 5 "disagree strongly"), even though Turkish people did not differ from Europeans in their agreement with the statement, "it is important that people are treated equally and have equal opportunities" (M = 2.06, SD = .93 for Turkey; M = 2.10, SD = 1.06 for the 30 remaining countries, Cohen's d = .05, 1 "very much" to 6 "not at all"). It appears then that mental representations of the value of equality in Turkey included gender to a lesser degree than mental representations of the value in the other nations. Thus, the same incidents of discrimination against women may be seen as less relevant to the idea of equality in Turkey than in many European nations, with ramifications for the applications of the value. For example, from these data we would speculate that equality management in Turkey might be less focused on women than in Western European countries.

Another example pertains to creativity, which can also be conceptualized as a value (Schwartz, 1992b). Abundant research has found that creativity is often associated only with art (Glǎveanu, 2014; Runco, 2007), at least in Western countries (Hanel et al., 2018). This narrow understanding of creativity can have important implications. If organizational leaders regard only artistic work as creative, the work done by other departments, such as accounting or research and development, might be met with lower expectations for creativity, causing less creative achievements (the so-called 'Golem-effect'; Babad, Inbar, & Rosenthal, 1982). This example further demonstrates that understanding how people conceptualize values has important ramifications for the productivity of a company.

Finally, there is a growing literature looking at individual-leader value fit. An interesting issue is whether the value priorities of managers are often relatively self-enhancing, conservation-focused, and therefore problematically out of kilter from self-transcending, universalist values, which are values that can be beneficial to effective management (Lemoine, Hartnell, & Leroy, 2019; Owens & Hekman, 2016). Also, research has been looking at (a) congruence between individual-leader values (Marstand, Epitropaki, & Martin, 2017) and (b) leaders supplying and fulfilling individuals' values/needs (Marstand, Martin, & Epitropaki, 2017). A general finding is that good work outcomes occur when the follower and leader have similar values and when the follower believes the leader fulfils the values (Dose, 1999; Hayibor, Agle, Sears, Sonnenfeld, & Ward, 2011). Leaders have some choices in the way they manage others and these could include trying to fulfil follower's needs as expressed in their values. To more comprehensively understand workplace behaviour, examination of the source of value fulfilment from both the organization and leader would be worthwhile.

In sum, Arieli, Sagiv, and Roccas's review provides an excellent basis for beginning to appreciate the range of ways in which values are relevant to behavior in organizations, while revealing gaps that point to a need for theoretical elaboration and attention to how values are

instantiated in different contexts. Particularly important is the call for more attention to the ways in which values are applied within organizations in today's modern, global context. By developing an enhanced understanding of the ways in which individual values are manifest in organizations around the world, we can better discern the ways in which values operate in a manner that is distinct from other important psychological constructs.

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